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FROM Tokyo

TO: Secretary of State

NO: 1249, October 16, 5 p.m.

Control: 6751

Rec'd: October 16, 1952

4:07 a.m.

DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY *Jattaway* DATE *3/19/82*RDC ☐ or XDS ☐ EXT. DATE

TS AUTH. _____ REASON(S) _____

PA or FOI EXEMPTIONS _____

FSN treaty informal review discussions resumed Oct 15 most cordial atmosphere. FONOFF appears withdrawing many previous proposals amend draft. Wld appreciate Dept guidance soonest fol points.

1. Re Dept AGAM 677, April 11. JG again objects Art 1. Proposes deletion and insertion fol substitute as para 1, Art 24, with present paras 1 and 2 renumbered: "Each party shall apply the provisions of the present treaty in the spirit of assuring equitable treatment to the persons of natls and to the property, enterprises and other interests of natls and companies of the other party."
2. Re Dept AGAM 33, July 15. Request clarification whether treaty investor status like treaty trader applicable only bilateral trade and supporting interests or whether intended cover all types investment including production for local consumption. JG appears prefer former limited definition.
3. Re Dept AGAM 442, Dec 31, 1951, authorizing insertion present para 4 Art 6 as separate Art 5 bis. JG now proposes further revision along lines Urug FCN Art 4 as fols: "Neither party shall take unreasonable or discriminatory measures that wld impair the legally acquired rights or interests within its territories of natls and companies in the enterprises which they have established or in the capital, skills, arts or technology which they have supplied. Neither party shall without appropriate reason deny opportunities and facilities for the investment of capital by natls and companies of the other party, nor shall either party unreasonably impede natls and companies of the other party from obtaining on equitable terms the capital, skills, modern techniques and equipment it needs for its econ development."

MURPHY

JAK:KC

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